

## Message Text

PAGE 01 STATE 303850  
ORIGIN EA-12

INFO OCT-01 EUR-12 ISO-00 USIA-15 SIG-02 CIAE-00  
DODE-00 INR-07 NSAE-00 PA-02 PRS-01 SP-02 EB-08  
/062 R

DRAFTED BY EA/P:STAFF:VDC  
APPROVED BY EA/P:WMAGRUDER  
DESIRED DISTRIBUTION  
USIA/IEA:MSMITH

-----117449 211930Z /50

R 211804Z DEC 77  
FM SECSTATE WASHDC  
TO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS  
AMEMBASSY MOSCOW  
AMEMBASSY PARIS  
INFO CINCPAC  
COGARD  
TREASURY  
GOVGUAM

UNCLAS STATE 303850

ATTN PARIS FOR MARK PRATT

E.O. 11652: N/A

TAGS: SOPN, XC, US

SUBJECT: DECEMBER 21 EA PRESS SUMMARY

### 1. JAPAN

FUKUDA TOLD MANSFIELD 12/20 JAPAN WANTS CONTINUE TALKS  
W/US ON WAYS TRIM TRADE SURPLUS. PM ALSO TOLD AMB GOJ  
WANTS REVITALIZE DOMESTIC ECON BY BOOSTING DEMAND TO  
ACHIEVE 7 PCT REAL GROWTH RATE IN FY78. MANSFIELD SAID  
UNCLASSIFIED

PAGE 02 STATE 303850

THIS GROWTH TARGET WELCOMED BY US/CALLED FOR EARLY  
SETTLEMENT REMAINING ISSUES IN TRADE TALKS (REUTER  
TOKYO 12/20).

EC PRES JENKINS TOLD GROUP'S FON MINISTERS TUES IN  
BRUSSELS THAT JAPAN WILLING HELP TRADING PARTNERS BY  
SPENDING MORE ON STIMULATING ECON GROWTH/SLASHING TRADE  
BALANCE SURPLUS. NOTED JAPAN'S OBJECTIVE FOR 7 PCT  
GROWTH RATE NEXT YR. HOWEVER, CONFERENCE SOURCES SAY  
SEVERAL MINISTERS, INCL THOSE FROM FRG/France/BELGIUM,

DOUBTED PURELY MONETARY OR BUDGETARY MEASURES COULD  
MAKE DENT IN EXISTING IMBALANCES (UPI, JOC BURSSSELS).

JAPANESE MOTOR VEHICLE PRODUCTION REACHED MONTHLY  
RECORD NOVEMBER. NEARLY 800,000 VEHICLES MFRD, MARKING  
12 PCT INCREASE FROM YR AGO (WSJ).  
WSJ'S KANABAYSHI (TOKYO) DOES FEATURE ON TREND IN  
JAPANESE BUSINESS AWAY FROM LIFETIME EMPLOYMENT.  
STATES COUNTRY'S ECON WOES FORCING JAPANESE FIRMS BREAK  
W/TRADITION, INTRODUCE LAYOFFS/EARLY RETIREMENTS/PAY  
CUTS.

JAL PLANS OPERATE FLIGHTS TO RIO VIA NY BEGINNING NEXT  
JUNE, PENDING OUTCOME TALKS W/BRAZIL, US (REUTER TOKYO).

IN LEGISLATION STEMMING FROM LOCKHEED SCANDAL/OTHER  
BRIBERY CASES, PRES CARTER SIGNED BILL 12/20 BARRING US  
FIRMS FROM PAYING BRIBES TO FON OFFICIALS FOR PURPOSE  
OF OBTAINING BUSINESS.

## 2. KOREA

LAT'S JACKSON REPORTS KOREAN BUSINESSMAN HOWARD LEE HAS  
UNCLASSIFIED

PAGE 03 STATE 303850

SECRETLY TESTIFIED THAT HE FUNNELED 300,000 DOLS TO SK  
EMB OFFICIAL DURING 2-MONTH PERIOD LAST YR. LEE TOLD  
SEC MONEY REPRESENTED COMMISSIONS HE RECEIVED FROM  
DALLAS ELECTRONICS FIRM THAT SOLD MILITARY RADIOS TO  
ROKG (WP).

IN FRONT-PG ITEM, CSM'S STUART CITES SOURCES CLOSE TO  
INFLUENCE-BUYING PROBES, WHICH SAY, AMONG OTHER THINGS,  
THAT HOUSE HAS NARROWED FOCUS TO 25-30 PRESENT/FORMER  
CONGRESSMEN; TONGSUN PARK EXPECTED TESTIFY BEFORE  
CONGRESS AS WELL AS FOR DOJ UPON RETURNING US. SAYS IN  
ORDER FACILITATE PARK'S APPEARANCE, TRIAL OF INDICTED  
FORMER REP HANNA EXPECTED BE POSTPONED.

GLOBE (SEOUL) ITEM QUOTES KIM DAE-CHUNG'S WIFE SAYING TUES  
HE PREFERS SERVE OUT 5-YR JAIL TERM RATHER THAN RENOUNCE  
CRITICISM OF PRES PARK.

## 3. AUSTRALIA

FRASER DISMISSES NEW CABINET MIN SHEIL, WHOSE REMARKS  
SUPPORTING APARTHEID IN S AFR CAUSED MAJOR CONTROVERSY  
IN AUSTRALIA. IN REMARKS TO MELBOURNE NEWSPAPER, SHEIL  
ALSO CALLED FOR APARTHEID IN AUSTRALIA TO ALLOW SEPARATE  
DEVELOPMENT NATION'S ABORIGINE POPULATION (REUTER  
CANBERRA).

4. PHILIPPINES

FIL GUNMAN TOOK 21 PERSONS HOSTAGE WEDS AT SUBIC BAY NAVAL BASE BANK, INCL MANAGER/ASST MANAGER; IDENTITY OTHERS NOT KNOWN (GLOBE). ACCORDING REUTER (MANILA) GUNMAN WAS ARMED W/PISTOL/2 SHOTGUNS, STAGED WHAT APPEARED BE BANK HOLDUP, THEN ASKED SPEAK US BASE CMDR. GUNMAN DEMANDED HELICOPTER/FOOD, BUT GAVE NO INDICATION WHY HE WAS HOLDING HOSTAGES TO US OFFICERS W/WHOM HE UNCLASSIFIED

PAGE 04 STATE 303850

COMMUNICATED BY PHONE. US MARIENS SURROUNDED BANK; OFFICIALS SAID GUNMAN BELIEVED BE FORMER BASE EMPLOYEE.

MARCOS ANNOUNCES GOP COMMITTED TO GRADUAL LIFTING MARTIAL LAW/HOLDING OF ELECTIONS FOR INTERIM NATL ASSEMBLY NEXT YR. BUTTRESSED BY RESULTS NATL REFERENDUM, PRES SAID HE ORDERED CLEAN-UP OF CORRUPT LOCAL GOVT OFFICIALS (REUTER MANILA).

MOSLEMS IN S PHILS 12/19 BURNED HOSPITAL/AMBUSHED BUS BELONGING SUBSIDIARY BOISE CASCADE CO, KILLING 3/WOUNDING 16 (AP, MANILA 12/19).

5. VIETNAM

BROWNING (CSM PARIS) OBSERVES US RECEIVED 2 GESTURES CONCILIATION FROM VN DURING 3RD ROUND TALKS ON NORMALIZATION RELS: ANNOUNCEMENT THAT HANOI WILL RELEASE "BRILLIG" CREW; AND THAT DEL VIET EXPERTS WILL VISIT US CENTRAL ID LAB IN HAWAII IN SPRING. SAYS OFFICIALS REFUSED DIVULGE CONTENT NEGOTS/NO INDICATION ANY CLEAR PROGRESS MADE TOWARD AGREEMENT ON NORMALIZATION. RECALLS US OFFICIALS HAVE LONG ARGUED THAT DEALINGS W/VIETS WILL BE CHARACTERIZED BY SLOW/DIFFICULT NEGOT FOR YRS TO COME.

SUN (PARIS BUREAU), HOWEVER, REPORTS DIPLOS BELIEVE VIET POSITION ON 3.25-BIL-DOL RECONSTRUCTION AID REQUEST IS SOFTENING. SAYS WORD "CONTRIBUTION" USED FREQUENTLY RATHER THAN "REPARATIONS." BROWNING SAYS US, HOWEVER, WOULD LIKE ESTABLISH DIPLO RELS BEFORE DISCUSSING RECONSTRUCTION AID/ LIFTING OF ECON EMBARGO. SUN REPORTS DISCUSSIONS ALSO BELIEVED TO HAVE COVERED CONTINUING COMMY GUERRILLA MOVEMENTS IN THAILAND/MALAYSIA. UNCLASSIFIED

PAGE 05 STATE 303850

VIET NEWS AGENCY ANNOUNCED WEDS THAT "BRILLIG" CREWMEMBERS HAVE BEEN TREATED WELL/WILL BE RELEASED, THO NO DATE GIVEN. US DEL SPOKESMAN CANNON SAID IN PARIS RELEASE OF 3 CREWMEMBERS WAS WELCOMED BY US OFFICIALS; "WE WERE SOME-

WHAT WORRIED," HE SAID--RESOLUTION OF ISSUE "WAS OVERDUE."

NEWS AGENCY ALSO SAID US/VIET DELS DISCUSSED "POSSIBILITY OF NORMALIZING RELS," THAT FURTHER TALKS WOULD BE USEFUL, THAT THEY WOULD MEET AGAIN AT MUTUALLY CONVENIENT TIME/ PLACE "TO BE DECIDED LATER." AGENCY ALSO ANNOUNCED US HAD INVITED VIET TEAM, IN CHARGE OF SEARCH FOR AMERICAN MIAS, TO VISIT US CENTRAL ID LAB IN HAWAII (REUTER HK). SPOKESMAN CANNON SAID US CONSIDERS VISIT "VERY POSITIVE STEP" IN CONTINUING COOP ON MIAS (REUTER PARIS). KANDELL (NYT PARIS) SAYS VIET SCIENTISTS MAY NOT POSSESS SOME OF ADVANCED TECHNIQUES NECESSARY TO IDENTIFY REMAINS OF PEOPLE WHO DIED YRS AGO. SUN REPORTS TECHNIQUES USED AT CENTER CAN BE HELPFUL TO SRV IN IDENTIFYING MORE MIAS.

CANNON ALSO ANNOUNCED THAT BOTH SIDES "AGREED THAT FURTHER TALKS WOULD BE USEFUL"; SUN SAYS TALKS WILL PROBABLY TAKE PLACE NEXT SPRING (ALSO WP PARIS; GLOBE PARIS; PHINQ W/MISIDENTIFIED PHOTO BRILLIG CREW).

#### 6. INDONESIA

OF 10,000 POL PRISONERS RELEASED BY GOI TUES, 1500 CAME FROM NOTORIOUS BURU DETENTION CAMP. ACCORDING AP BURU (NYT, SUN, GLOBE; PHINQ) MOST PRISONERS FREED THERE WERE OVER 50/HAD TUBERCULOSIS, LIVER AILMENTS/OTHER DISEASES; SOME WERE CARRIED ON STRETCHERS. EACH HAD PILLOW/STRAW MAT/SARONG/OTHER CLOTHES. AMONG 10,000 RELEASED WERE PROF SUPRAPTO, PROF ISKANDAR, TOM ANWAR, ABDULRACHMAN ATMOSUDIRDJO, BACHTIAR SIAGIAN. WP'S MCDONALD (BURU) SAYS MOST PRISONERS WERE CIRCUMSPECT WHEN ASKED ABOUT UNCLASSIFIED

PAGE 06 STATE 303850

PRISON LIFE; QUOTES ONE THAT "WHAT IS GRANTED TO US IS FREEDON ON LOAN AND IT COULD BE TAKEN FROM US AT ANY TIME."

IN LONDON, "AMNESTY INTL" ISSUED STATEMENT WELCOMING RELEASE, ADDING THAT GOI'S CITING HIGH UNEMPLOYMENT AS REASON FOR NOT RELEASING MORE PRISONERS AT THIS TIME IS "UNJUSTIFIABLE" (NYT SPEC).

#### 7. GENERAL

JOC'S DREYER (BRUSSELS) REPORTS ASEAN MEMBERS ANXIOUS FOR CLOSER RELS W/EC. CITES 1ST MTG FEW DAYS AGO BETWN EC/ASEAN AMBS, DURING WHICH ASEAN SPOKESMEN UNDERLINED EAGERNESS FOR CLOSER TIES. ASEAN SEEKS HAVE ASSURED ACCESS TO EC/RECEIVE TECHNOLOGICAL AID FROM MEMBERS; ASEAN SPOKESMEN HAVE NOTED WOULD BE IN EUR'S INTEREST TO SECURE SEA AS MKT FOR THEIR INDUSTRIAL GOODS/BE ASSURED OF CONSTANT FLOW RAW MATERIALS.

COMMENT AND ANALYSIS

8. CHINA

ZORZA (WP, SUN) REPORTS KREMLIN ALARMED BY SIGNS THAT W EUR COUNTRIES MAY SELL PRC AIRCRAFT/ADVANCED MIL HARDWARE. SAYS US, MEANWHILE, HAS SOUGHT REASSURE MOSCOW IT WILL NOT PROVIDE PRC ARMS. WHILE PRC INSISTS IT DOES NOT WANT US ARMS, ZORZA SAYS IT REGARDS SUCH ASSURANCES TO SOVIETS AS SIGN OF WEAKNESS.

ZORZA SAYS PRC NOW REPORTED TO BE DEBATING SO-CALLED "EUROPEAN OPTION," AS EVIDENCED BY RECENT PRC PRESS UNCLASSIFIED

PAGE 07 STATE 303850

ARTICLES. ZORZA SAYS DEBATE ACTUALLY TAKING PLACE AMONG MEMBERS OF PRESENT LEADERSHIP. EUROPEAN OPTION IS SEEN BY PEKING AS INVOLVING MIL UNDERSTANDING THAT WILL KEEP SOVIETS IN CHECK: IF MOSCOW MOVED AGAINST EUR, CHINA WOULD ACT ON SOUTHERN FLANK; IF AGAINST PRC, EUR WOULD TAKE ACTION.

ZORZA CONCLUDES EUR WILL HARDLY SUPPLY PEKING ENOUGH WEAPONS TO MAKE REAL DIFFERENCE IN DEFENSE POSTURE AND PRC CAN NEVER BE SURE EUR WOULD BE MUCH HELP IN EVENT OF SOVIET ATTACK. SAYS THIS IS WHAT IS WORRYING THOSE IN PEKING WHO DON'T ACCEPT EUROPEAN OPTION. WITH THIS OPTION AS WELL AS OPTION OF USING US AS BUFFER TO SOVIETS UNDER ATTACK, ZORZA SAYS, SOME PRC LEADERS GIVING INCREASING ATTENTION TO CONSIDERATION OF RECONCILIATION W/SOVIETS.

CSM EDIT CONDONES CARTER ADMIN POSITION OF NOT PERMITTING US COMPANIES SELL PRC ARMS; SAYS IF US WERE TO SELL WEAPONS, WOULD STRAIN US/USSR RELS, CAUSE CONCERN TO MAJOR US ALLIES SUCH AS JAPAN/SK/ROC/INDIA. URGES BRITAIN TAKE THESE CONSIDERATIONS INTO ACCOUNT BEFORE SELLING PRC HARRIER JETS. RIGHT NOW, CSM SAYS, OVERRIDING ARMS CONTROL ISSUES ARE MUTUAL REDUCTION OF EAST/WEST FORCES IN EUR; SALT NEGOTS--AND THESE MUST NOT BE ENDANGERED BY GIVING SOVIETS EXCUSE TO BLAME US ALLIES FOR "UPPING THE ANTE ON ARMS FARTHER EAST."

MORITZ (CSM HK) SAYS RECENT ROC ELECTIONS MAY INDICATE INDEPENDENT POLS ARE POSING REAL CHALLENGE TO KMT RULE. SAYS OTHER OBSERVERS FEEL STRONGER SHOWING BY INDEPENDENTS REFLECTS IMPROVED CANDIDATE ORGANIZATION/RISING EDUCATION LEVELS/INCREASED VOTER SOPHISTICATION. NOTES AS WELL THAT SOME OBSERVERS CAUTION AGAINST READING TOO MUCH INTO ELECTION RESULTS, SINCE MOST IMPORTANT PROVINCIAL POSTS ARE APPOINTED NOT ELECTED.

UNCLASSIFIED

PAGE 08 STATE 303850

9. JAPAN

WP'S CHAPMAN (TOKYO) NOTES JAPAN'S PROMISE ACHIEVE 7 PCT GROWTH RATE NEXT YR VIEWED W/CONSIDERABLE SKEPTICISM BY TOKYO ECON EXPERTS. CITES NOMURA/MITSUBISHI/NATL ECONOMY RESEARCH INSTITUTES' STUDIES WHICH ALL PROJECT GROWTH LOWER THAN 5 PCT IN NEXT FY. CHAPMAN SAYS IF THESE STUDIES CORRECT, GOJ'S NEW BUDGET WON'T MAKE MUCH DENT IN TRADE SURPLUS W/EUR, US. REMARKS JAPANESE BUSINESS LEADERS URGING FUKUDA WORK HARD REACH 7 PCT GOAL, SAYING THAT IF PLEDGE NOT KEPT, JAPAN WILL LOSE FACE IN WORLD OPINION.

10. PHILIPPINES

IN LTR TO NYT, PHILS CG ERNESTO PINEDA CRITICIZES PAPER'S 11/26 EDIT ON AQUINO TRIAL, CALLING IT REMARKABLE THAT IN LESS THAN 24 HRS NYT ARRIVED AT JUDGMENT OF TRIAL WHICH TOOK 5 YRS--"BECAUSE HE (AQUINO) TOOK ADVANTAGE OF ALL LEGAL AVENUES." SAYS DESCRIPTION OF TRIAL AS "TRAGEDY OR FARCE" IS USE OF WORDS WHICH BELONG TO LANGUAGE OF THEATRE, THAT GOP CONSIDERS TRIAL AQUINO/ACCOMPLICES "SERIOUS"/"COMPLICATED PROCESS" OF GUARANTEEING FULL JUSTICE TO ACCUSED.

11. SINGAPORE/VIETNAM

LAT EDIT (12/18) SAYS ITS SYMPATHY FOR VIETS WHO FLEE THEIR HOMELAND DOES NOT EXTEND TO HIJACKERS VIET AIRLINER TO SINGAPORE WHO WERE GIVEN 14-YR SENTENCES IN SINGAPORE FOR DEATH 2 CREWMEMBERS/WOUNDING OF 3RD. SAYS SENTENCES WERE APPROPRIATE, FOR "THEY HAD NO RIGHT TO PURCHASE THEIR UNCLASSIFIED

PAGE 09 STATE 303850

FREEDOM AT SUCH COST." IF 4 HAD BEEN FREED, SAYS IT WOULD HAVE FURTHER UNDERMINED FAR-FROM-PERFECT INTL EFFORTS CURB AIR PIRACY. LAT ENCOURAGES "NO LETUP IN FIGHT AGAINST AIR PIRACY," CALLS ON SRV/OTHER NATIONS RATIFY AIR PIRACY CONVENTIONS.

12. INDOCHINA REFUGEES

NYT'S KAMM (SONGKHLA) SAYS REFUGEES IN S THAILAND HAVE NOT RECEIVED FOOD RATIONS FOR 4 DAYS BECAUSE, ACCORDING THAI AUTHORITIES, UNHCR HAS FALLEN BEHIND IN PAYMENTS--SITUATION "ILLUSTRATIVE OF THE CONTINUING UNHAPPINESS" OF RTG W/PRESENCE 100,000 REFUGEES THERE. SAYS AS GRANTING OF PERMANENT ASYLUM HAPPENING MORE QUICKLY, VIET REFUGEES

TREATED W/INCREASING HOSTILITY, CAUSING MORE "BOAT PEOPLE"  
SET OUT FOR AUSTRALIA IN SPITE OF MONSOONS. QUOTES DEP  
GOV SONGKHLA THAT OVER YRS THAIS HAVE COME TO SUSPECT

VIET REFUGEES AS SUBVERSIVES, ADDING: "THEY ALWAYS TRY  
TO OCCUPY THE GOOD JOBS, LIKE THE CHINESE. THE THAI  
PEOPLE DON'T WANT THEM TO STAY HERE."

KAMM SAYS ULTIMATE SPECTER HAUNTING INTL OFFICIALS/  
CONCERNED DIPLOS IS POSSIBILITY THAT, IN COURSE  
ACCELERATING DIPLO PROCESS, THAILAND/INDOCHINA MAY REACH  
AGREEMENT TO RETURN FUGITIVES TO COUNTRIES OF ORIGIN,  
CALLING MOVE VOLUNTARY WHETHER IT IS OR NOT. VANCE

UNCLASSIFIED

<< END OF DOCUMENT >>

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 22-Sep-1999 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLITICAL SUMMARIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 21-Dec-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE303850  
**Document Source:** ADS  
**Document Unique ID:** 00  
**Drafter:** EA/P:STAFF:VDC  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** n/a  
**Expiration:**  
**Film Number:** D770476-0378  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t197712111/baaaeusz.tel  
**Line Count:** 341  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, TEXT ON MICROFILM  
**Message ID:** 3bf65dfc-c188-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 7  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29-Mar-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 119758  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DECEMBER 21 EA PRESS SUMMARY  
**TAGS:** SOPN, XC, US  
**To:** ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS MOSCOW MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/3bf65dfc-c188-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009